

Monograph Review:

AGRI-FOOD SECTOR IN SERBIA

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The Serbian Academy of Sciences and Arts - Board for Village and Serbian Association of Agricultural Economists has recently published in English language the monograph under the title ***AGRI-FOOD SECTOR IN SERBIA – State and Challenges***.

The Serbian economy and agri-food sector at the beginning of the 21st century is in the process of late transition. This process is influenced by international globalisation, trade liberalisation, following by development of information technology and biotechnology. What is the current situation and what are the main challenges for Serbian agriculture was discussed by 15 eminent Serbian agricultural economists. A total of nine papers are presented dealing with four topics:

- **Structural Characteristics:** Agriculture of the Western Balkan Countries in Globalisation and Liberalisation Processes; Changes in the Structure of Farms and Producers Associations in the Republic of Serbia; Development Characteristics of Agricultural Sector in the Republic of Serbia; Diffusion of Knowledge and Innovation in Serbian Agriculture;
- **Production and Trade:** Long-Term Structural Changes in Agrarian Market in Serbia (1990-2010); Cyclicalities of Production, Demand, Extensive Growth of Export; Foreign Trade Exchange of Agro industrial Products of Serbia;
- **Natural Resources and Rural Development:** Sustainable Management of Land, Water and Biodiversity in Agriculture under Climate Change; Territorial Capital of Rural Areas - an Example of Analysis of the Potential for Rural Tourism Development in Serbia;
- **Institutional Framework and Policy of Support:** Policy of Support to Agriculture and Rural Development.

In the paper *Agriculture of the Western Balkan Countries in Globalisation and Liberalisation Processes* authors deal with the current development and competitiveness of the Western Balkan Countries. The paper analyses the economic development indicators, resource potential and value indicators of agricultural development.

In the second paper *Changes in the Structure of Farms and Producers Associations in the Republic of Serbia* authors analyse structural changes of four forms of farms – family farms, agricultural enterprises, agricultural cooperatives and other legal entities and entrepreneurs in the period between the two Censuses, 2002 and 2012. In addition to quantitative indicators – number of farms, growth index, and share indicators and macro-regional comparisons, a special emphasis is placed on organisation issues.

The paper *Development Characteristics of Agricultural Sector in Serbia* describes agricultural production and production in agro-industry. Moreover, export performances of the sector, in the period 2005 - 2011, were described. The export performances are analysed through the value of agricultural exports with regard to hired labour and land in agricultural production. The relationship trends between agricultural and non-agricultural sectors are highly emphasized.

Diffusion of Knowledge and Innovation in Serbian Agriculture deals with characteristics of the stakeholders within the agricultural knowledge and information system in Serbia. Special attention has been paid to the role of R&D in agricultural sciences, as well as social vitality of the family farms and characteristics of agricultural extension service as relevant factors in the process of agricultural knowledge and innovation diffusion.

In the paper *Long-Term Structural Changes in Agrarian Market in Serbia (1990-2010): Cyclicity of Production, Demand, Extensive Growth of Export*, authors analyse the trends in production of agricultural products in Serbia. The dynamics of the agrarian development are characterized by cyclical instability, with significant differences with respect to the intensity and direction of oscillation between plant and livestock production. The agrarian market is unorganized with an underdeveloped competition policy and with broken vertical chain after privatisation process.

In the paper *Foreign Trade Exchange of Agro industrial Products of Serbia* the authors present comparative analysis of trends and regional determinants of the agro-industrial products' export and import in the Republic of Serbia during the period 2004-2011, as well as the analysis of foreign trade balances of exchange according to commodity groups and sectors. Export recorded a significant increase under the average rate of 18.66% per annum. The highest value of export is directed to the EU, some 47.30% of the total agricultural export, while to the CEFTA approximately some 45%. The analysis per countries shows that the largest export is directed to the countries of ex-Yugoslavia, namely Bosnia and Herzegovina, Montenegro and Macedonia, followed by Germany and Italy. Import has recorded growth on the average of 7.8% annually. The most important import market is the EU, with 41.9% of the agricultural import and CEFTA with 19.2%. Republic of Serbia recorded a positive balance of foreign trade.

The paper *Sustainable Management of Land, Water and Biodiversity in Agriculture under Climate Change* deals with natural resources. It is shown that in the Republic of Serbia there is delay in by-law adoption, lack of national strategic documents in agricultural and climate policy and low development level of local institutional infrastructure and financial bottlenecks. The conclusion is that it is necessary to intensify the state

institutional and financial support and to provide a more comprehensive and export assistance to the farmers both by the science and advisory institutions in activities aiming at the conservation of natural resources in the conditions of climate changes.

The paper with the title *Territorial Capital of Rural Areas – an Example of Analysis of the Potential for Rural Tourism Development in Serbia* shows different aspects of territorial capital in rural areas of Serbia in the context of these areas' potentials for rural tourism development. The analysis is based on official statistical data and on primary data collected using interviews and focus group meetings. The conclusion of the research is that the differences existing in the main development performances of the studied rural areas require application of specific development strategies that would be largely based on regional characteristics of these areas.

In the paper *Policy of Support to Agriculture and Rural Development*, the basic questions of the agricultural policy in Serbia are discussed. Serbian agricultural sector has been developed through three mutually conditioned tendencies: first, growth of labour productivity; second, decrease of relative process of agricultural and food products; and third, the decrease of income elasticity of demand for agricultural and food products. Although the agricultural policy has positive impact on the short-term problems, an extreme uncertainty in policy framework has been manifested in unfavourable condition to invest in agriculture. The market liberalisation of agricultural and food products took place which significantly increased international competition on the domestic market.

This monograph gives wide range information on Serbian agri-food sector and it is one of the few providing insight into the Serbian agri-food sector published in English language. Obviously the authors' intention is to provide information to the wide range of readers.

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